

ARIZONA DEPARTMENT OF TRANSPORTATION VALUE ANALYSIS PROGRAM

PROGRAM GUIDELINES

I. Scope

A. All ADOT value analysis activities will be conducted in accordance with these Guidelines.

B. Activities of a similar nature, which may be performed by Arizona Department of Transportation employees or consultants, but which is not in accordance with these Guidelines, shall not be referred to as “value analysis” or “value engineering.” This will avoid confusion about the value analysis program.

II. Administration

A. The Value Analysis Section will administer the program under the direction of the Assistant State Engineer for Construction. The Value Analysis Section is located in the ADOT Administration Building, 206 S. 17th Avenue, Room 188, Mail Drop 173A, Phoenix, AZ 85007. Phone (602) 712-8544, Fax (602) 712-3220.

B. Value Analysis Section will develop appropriate administrative procedures and documents, and will maintain the program files. They will also maintain a value analysis database. The database will contain information about resources available within the Department, as well as technical resources available elsewhere.

III. Study Selection and Timelines

A. The Value Analysis Section will periodically meet with Valley and Statewide Project Management for the purpose of reviewing upcoming projects and determine their potential for future value analysis studies.

B. All projects with a program amount greater than \$25 million require a value analysis study.

C. Additionally, all projects with an estimated construction cost exceeding \$10 million (and average or greater complexity) will be considered for a value analysis study. The Project Manager and the VA Manager will meet and review

the project's scope of work and decide whether there is significant potential for value improvement. A rule of thumb is, the more complex the project, the more potential for value improvement.

D. Normally VA Studies are conducted during the Stage II Plans Review. In order for study results to coincide with Stage II review comments, it is desirable to conduct the study as soon as the Stage II plans are prepared. Therefore, it is essential that the PM keep the VA Section current on submittal dates. It takes three to four weeks to set up and prepare for the VA study.

E. At Stage II designs, a significant amount of engineering and associated costs have been incurred in establishing the project alignment. Consequently only minimal "tweaks" to that alignment may be proposed during the VA study. If the project consists of a brand new alignment, an initial VA study is also recommended during the PA or DCR stages of the project.

F. Any project, standard, specification, procedure, or material may also be considered for value analysis study

IV. Team Selection

A. Value analysis study teams will normally consist of 5-9 persons, drawn from throughout ITD. Some teams may be supplemented with one or more consultant employees.

B. Value Analysis Section will maintain a roster of employees with value analysis experience. The roster will indicate how many studies an employee has participated in C. Once a project is selected, Value Analysis Section, in collaboration with the Project Manager, will determine the disciplines needed on the team, and will contact the appropriate representative of the various groups/sections to request one or more team members. The Value Analysis Section Manager and the group/ section representative will jointly determine which employee to assign to the study team, based on experience. However, when a specific expertise is required, the Value Analysis Manager may request a specific employee.

D. A representative from the Project Development Team will be invited to participate on the Study Team. This is encouraged, but not required.

V. Study Procedure

- A. Value analysis studies will normally require 3-4 continuous days of full-time effort by the entire team. The time allotted to each study will be determined in advance. Some studies may be conducted as a series of sessions.
- B. Value Analysis Section will select a facilitator to lead the Study.
- C. Value Analysis Section will secure an appropriate location for each study. Most studies will be held in Phoenix, but other locations may be considered.
- D. Value Analysis Section will prepare a Study Plan and distribute it in advance to each team member. The Study Plan will contain information about the scope of the study, the logistics, and team preparation. Value Analysis Section will arrange for pertinent documents to be made available to the team at the beginning of the study.
- E. The Value Analysis Section will arrange for a brief presentation or discussion by the designer at the beginning of the study. A field trip is desirable when feasible.
- F. A Study Report will be issued by Value Analysis Section, generally within seven business days following the completion of the study. The report will be sent to the Project Manager for review. Team members will receive a copy.

VI. Review and Implementation

NOTE: TO BE AMENDED WHEN PROCEDURE AGREED UPON!!

Primary review of value study reports will be conducted by the Project Team, who will seek assistance from technical groups as required. Resolution of study recommendations should be a consensus-building effort between the two teams, facilitated by Value Analysis Section. Escalation, if required, will be to the Deputy State Engineer for development.

VII. Reports

- A. Value Analysis Section will prepare an Annual Report for each Federal fiscal year (October through September), which will summarize the activities, achievements, savings and costs of the value analysis program

B. Value Analysis Section will prepare Status Reports on a monthly basis. These reports will track each study recommendation through the review and implementation phases, including any associated savings.

VIII. Training

A. From time to time value analysis will be offer training to enhance knowledge of potential VA Team members.

B. Some team members may occasionally gain experience through “on-the-job training” by participating in studies for the first time.